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Russian Federation Grain and Feed Russia Lowers Export Duty on Rapeseeds 2007

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Report Highlights:

The Russian Government lowered the export duty on rapeseeds and colza from 20 percent of customs value, but not less than 35 Euro per metric ton, to 15 percent and 30 Euro. The new tariffs come into effect March 12, 2007.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Moscow [RS1] [RS] By Resolution #84 of February 8, 2007, the Russian Government lowered export tariffs on colza and rapeseeds from 20 percent of customs value, but not less than 35 Euro per metric ton, to 15 percent and 30 Euro. The new tariffs come into force on March 12, 2007. Export tariffs on other oilseeds (sunflowerseeds and soybeans) remain at 20 percent and 35 Euro. The new tariff will not significantly stimulate exports, but demonstrates the government's support for domestic rapeseed production and exports to Europe for bio-fuel processing.

Russian rapeseed production increased to 303,000 metric tons in 2005 from 113,000 metric tons in 2001, but the share of rapeseeds in the total oilseeds production is less than 5 percent. Official data on domestic production of rapeseeds in 2006 will not be available until mid-March, but sources report a significant increase in production, largely related to exports to Europe. Spring rapeseed planting reportedly almost tripled in 2006. According to Customs data, in October to December 2006, Russia exported 40,100 metric tons of rapeseeds to Lithuania, Germany, Belgium, Latvia, Netherlands, Estonia, and Denmark. Total rapeseed exports in MY 2005 were 36,110 metric tons.

Text of the Resolution #84 of February 8, 2007

Begin text:

"On approval of export custom tariffs on colza and rapeseeds, whether or not broken, exported from states - members of the Agreement on the Customs' Union"

The Government of the Russian Federation decrees the following:

- 1. As a partial amendment of the Resolution of the Government of the Russian Federation #795 of December 23, 2006 "On approval of export customs' tariffs on commodities exported from the territory of the Russian Federation outside states members of the Agreement on the Customs' Union, and on recognition that some acts of the Government of the Russian Federation become inoperative (Collection of Laws of the Russian Federation, 2007, #1, article 254) to approve export customs duty on colza and rapeseeds, whether or not broken (Russian Tariff Code 1205) at 15 percent of customs value, but not less than 30 Euro per 1,000 kilograms.
- 2. The present Resolution enters into force one month from the date of its official publication.

Chairman of the Government
Of the Russian Federation

M. Fradkov